

US Navy APU Total Logistic Support (TLS) Program Overview

Honeywell



NAVAL AVIATION SYSTEMS
TEAM



*Delivering High Yield Logistics
Through Integrated Supply Chain Management*



Maritime PBL Initiatives

Honeywell

Awarded

60
awarded

<u>IWST</u>	<u>PBL</u>	<u>Awd Dt</u>
Missile Fire Control Team	NTCSS	Jan-95
Smart Ship Team	ICAS	Jun-96
Other Propulsion Team	Isotopes	Sep-96
Missile Fire Control Team	MK-92	Jul-97
Minewarfare Specwar Team	AN/SQQ-32(V), BSP	Oct-97
Minewarfare-Specwar Team	F-470	Dec-97
Missile Fire Control Team	AEGIS (LM)	Jan-98
DC/Deck Team	EEBD	Feb-98
Missile Fire Control Team	AN/UYQ-70	Sep-98
Detection Systems Team	AN/SLQ-32 LSS	Sep-98
Smart Ship Team	LM2500	Mar-99
Submarine Ship Systems	ARCI/BQQ-10	Apr-99
Diesel/Propulsion Team	ROD	Apr-99
Integrated Self Defense Team	AN/AMP-383	May-99
Satcom-Excom Team	ADNS	Jun-99
Detection Systems Team	AN/SQQ-89(V)6	Jun-99
GPETE Team	GPETE/CAL Standards	Jun-99
Satcom-Excom Team	NAVMACS II	Jun-99
Satcom-Excom. Team	SSEE	Jul-99
Missile Fire Control Team	TAC 3	Aug-99
Missile Fire Control Team	TAC 4	Aug-99
Missile Fire Control Team	SNAP III	Aug-99
Missile Fire Control Team	NALCOMIS	Aug-99
Integrated Self Defense Team	AN/UYA-4	Aug-99
Missile Fire Control Team	AN/UYQ-21	Aug-99
Integrated Self Defense Team	Raytheon Svcs	Aug-99
Air Prgrms-Torpedos-ATC T	Sidewinder	Aug-99
Submarine Ship Systems	AN/BSY-2	Aug-99
Submarine Ships System	AN/BQG-5	Aug-99
Satcom-Excom Team	JMCIS	Oct-99

<u>IWST</u>	<u>PBL</u>	<u>Awd Dt</u>
Air Prgrms-Torpedos-ATC Tm	Dig. Interrogator	Jan-00
DC/Deck Team	25 Man Life Raft	Feb-00
Satcom-Excom Team	CCTV	Feb-00
Integrated Self Defense Team	CIWS	Mar-00
DC/Deck Team	Life Raft Inflation Cylinder	Mar-00
Satcom-Excom Team	BGPHEs	Apr-00
Submarine Ship Systems	AN/WRR-12 SLVR	May-00
Air Prgrms-Torpedos-ATC	ASPARCS	May-00
Submarine Ship Systems	CCS MK2 Mod 0	May-00
DC/Deck Team	P100 Pumps	Jun-00
DC/Deck Team	Berthing	Jul-00
GPETE Team	HYDRA	Jul-00
Satcom-Excom Team	AN/URC-109	Aug-00
Submarine Ship Systems	MPIU	Sep-00
Satcom-Excom Team	SDV	Oct-00
Satcom-Excom Team	SSEE Inc. D	Oct-00
Missile Fire Control Team	AEGIS - Raytheon	Oct-00
Detection Systems Team	CV-TSC AN/SQQ-34	Oct-00
Submarine Ship Systems	AN/BPS-15H	Oct-00
Missile Fire Control Team	MK-41 VLS	Nov-00
Submarine Ship Systems	AN/BYQ-6	Nov-00
Satcom-Excom Team	TRDF	Jan-01
Air Prgrms-Torpedos-ATC Tm	AN/UPX 24 & OE-120	Feb-01
Smart Ship Team	PLC	Apr-01
DC/Deck Team	PKP Fire Extinguisher	Apr-01
DC/Deck Team	MROD	May-01
DC/Deck Team	50 Man Life Raft	Jun-01
DC/Deck Team	Reusable Bulk Containers	Aug-01
DC/Deck Team	Life raft Inflation Valve	Aug-01
Aux/Valves/Pumps Team	Chesterton	Sept-01



Aviation PBL Initiatives

Honeywell

Awarded

44
awarded

<u>IWST</u>	<u>PBL</u>	<u>Awd Dt</u>
F/A-18	ARF	Pre-96
Common	RINU	Sep-96
H-1/H-46	H-46 AHRS Replacement	Sep-97
P-3	EP-3 SSIP	Oct-97
SE	CASS/CASS CSP	Dec-97
Engines	T-700 ROTORS	Sep-98
Common	SCADC	Sep-98
H-60	DAMPER	Mar-99
AV-8B	T-2 COCKPIT	Mar-99
Common	NGS	Jul-99
F-14/F/A-18/AV-8B	SMS	Sep-99
Common	ALR-67(V)3	Oct-99
EA-6B	EFIS	Dec-99
SE	Deval AHE	Dec-99
SE	GOSSPL	Feb-00
SE	ITT	May-00
E-2/C-2/S-3/C-130/P-3/F/A-18	APU	Jun-00
SE	CRATE	Jun-00
V-22	NAVFLIR (APN-6 funded)	Jun-00
SE	QEC MOA	Jun-00
SE	Cryo	Jun-00
SE	Gas Detector	Jun-00
SE	Helping Hand	Jun-00

<u>IWST</u>	<u>PBL</u>	<u>Awd Dt</u>
H-3/H-53	H-53 Main Gearbox	Jul-00
H-3/H-53	Main Rotor Head	Jul-00
E-2/C-2	EMDU	Aug-00
H-60	H-2	Aug-00
F/A-18	CVRS	Sep-00
SE	Son of Helping Hand	Oct-00
F-14	LANTIRN	Jan-01
V-22	ROR RTAT PBL (APN-6)	Jan-01
SE	EWSE	Jan-01
Common	ARC-210	Jan-01
SE	MELISSA (EOTS)	Jan-01
E-2/C-2	APS-145 Radar	Feb-01
EA-6B	Main Wheels	Feb-01
SE	Crash Cranes	Feb-01
Common	TIRES	Feb-01
SE	IFFITTS	Mar-01
S-3/C130	Electron Tubes	Apr-01
Engines	J-52 1 st Stage Turbine Vanes	Apr-01
P-3	EP-3J Mod (APN-6 Funded)	May-01
F/A-18	FIRST	May-01
E-2/C-2	GRIIM RePr	Sep-01



DESCRIPTION:

TLS initiative involves support of 4 different APU's used on the C-2, F/A-18, S-3, and P-3 Aircraft, and involves a partnering effort between Honeywell, CAT Logistics, and Naval Aviation Depot (NADEP) Cherry Point.

This is the Navy's first Public/Private Partnership.



- **Reliability Issues**
- **Potential Readiness Improvements**
- **Depot Partnership**
- **Commercial Practices**





EXPECTATIONS

Honeywell

- ✓ **Improvement In Availability**
- ✓ **Improvement In Logistics Response Time
Meeting Contract Delivery Metrics**
- ✓ **Depot Partnering Success**
- ✓ **Inserted Commercial Technology**
- ✓ **Obsolescence Management**
- ✓ **APU -10 Configuration Installed
Expected to Add New Significant Business By
Now**
- ✓ **Reduce Backorders**



Program Partner Responsibilities

Honeywell



Honeywell
Strategic Alliance

Honeywell



NADEP Cherry Point, NC

Inventory Management

Warehousing

**Packaging, Handling,
Storage, and
Transportation**

EDI/EC

Total Asset Visibility

Continuous Improvement

Overall Program

Responsibility

Customer Support

Engineering Support

Quality Assurance

Repair and Overhaul

Configuration Management

OEM Parts

Continuous Improvement

Repair and Overhaul

Engineering Support

Technical Publications

Logistics Support

**Continuous
Improvement**

**Dedicated Team, Proven Systems, and Effective Processes
Reduce Life Cycle Cost and Increase Reliability**



What We Are Buying

Honeywell

Today

TLS

Material:

Depot Material

Material Management

Obsolescence Management

I, O, D Level Material Support

Warehousing

Guaranteed Availability

Labor:

Depot Labor

I Level Maintenance Reduction

Surge Capability

Performance Guarantees

ISO 9000 Quality System

Transportation:

Routine Delivery

Premium Delivery





APU/TLS What We Are Buying **Honeywell**

Today

Engineering:

FSE's

TLS

**FSE's (Contractor funded)
Component Improvement Engineering
Guaranteed Reliability Improvements
Customer Support Engineering
Integrated Program Mgmt Team
Configuration Mgmt.
Customer Satisfaction Board
Maintenance of Technical Pubs**

Administrative:

**Limited Data
Availability**

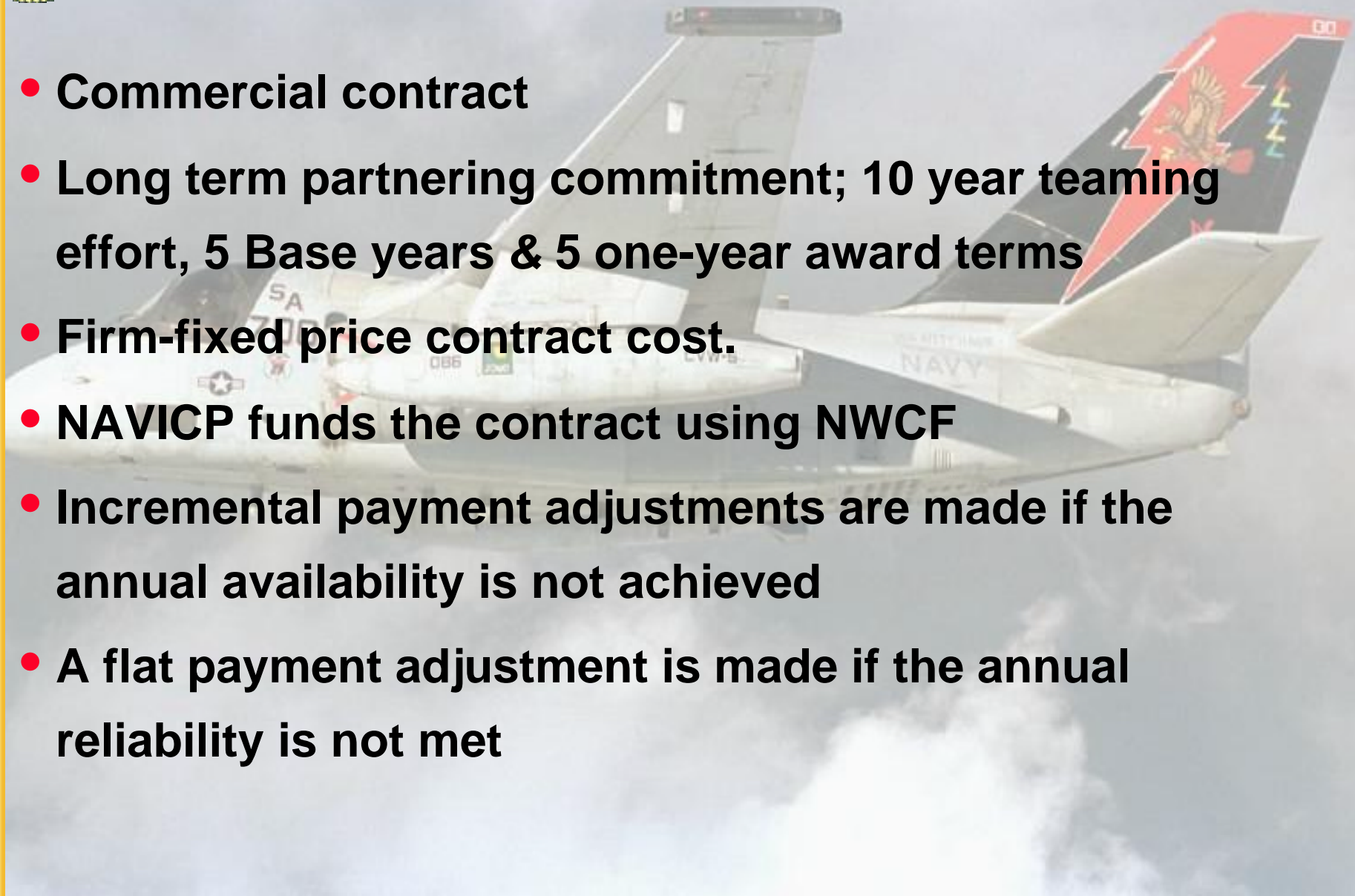
**Internet Access to Data
Total Asset Visibility
Performance Tracking System
Integrated Logistics Support
Caterpillar Logistics Mgmt.**



Navy TLS Contract Overview

Honeywell

- **Commercial contract**
- **Long term partnering commitment; 10 year teaming effort, 5 Base years & 5 one-year award terms**
- **Firm-fixed price contract cost.**
- **NAVICP funds the contract using NWCF**
- **Incremental payment adjustments are made if the annual availability is not achieved**
- **A flat payment adjustment is made if the annual reliability is not met**





Navy TLS Contract Overview

Honeywell

- **Gain Share provision if reliability guarantees exceeded by 25%**
- **Six to nine month transition period- Ended 1 Mar**
- **Workload Level determination established using previous 2 years worth of actuals**
 - **Any Depot workload changes require PCO approval**
- **Honeywell products from any Service can be added which will lower price**
- **Exit Strategy**

“No Excuses Contract”



Havelock Warehouse

Honeywell

- 30,000 sq. ft. -- climate controlled
- Site manager, supervisor, 3 full time associates
- 3 Packaging/shipping work stations
- 2 fork lifts, 1 stationary lift on site
- Systems, safety and procedures training complete
- Business licenses, insurance and inspections complete and certified
- Stand-up completed ahead of schedule



- On-site in-bound inspection and serial number verification (non-technical)
- Segregated NRFI receipt, storage and handling
- High volume material stocked in easy access, high visibility bins
- Point of Use PEB bin stocking under way
- Multiple daily and as-needed deliveries to Repair work stations and production control



Transportation Management

Honeywell

Approach

- ✓ Strategic Planning
- ✓ Rate Negotiations
- ✓ Carrier Selection
- ✓ Operations Support
- ✓ Auditing & Payment
- ✓ Material Tracking
- ✓ Monitoring and Reporting
- ✓ Customer Support
- ✓ Cargo Claim Administration
- ✓ Forwarder & Broker
 - Selection & Management
- ✓ Import/Export Service Management

Carrier
Partners

Core
Carriers

Niche Carriers

Experience

- 27,200 truckloads monthly
- 30,000 LTL shipments per month
- 1,000 daily airfreight shipments world wide
- Operations on 6 continents/21 countries
- 72 distribution centers (17.5 million ft²)
- 200+ transportation professionals worldwide
- Largest 2-way shipper over the North Atlantic
- 12th largest US exporter
- \$700M total transportation purchases

Comprehensive Management Processes and Capability



TESTIMONIALS

Honeywell

- **NADEP CHERRY POINT:** Nothing but Good News... Backorders down by 90%
- **S-3B DAPML:** Foremost critic of TLS.....“Big Supporter
S-3B Fleet Satisfied With Contractor Performance”
No APU Backorders for the First Time in 5 Years
- **FLEET:**
AAMO CSCWP: “Outstanding, No Negative Reports From
Atsugi, Japan or Ships”
CSCWL Maintenance Officer: “ No CSCWL Aircraft Awaiting APUs”
- **P3 IWST:** Backorders Reduced
Outstanding Response Time
Increased Reliability On Overhauled APU 95-2
- **F-18:** Outstanding Support



Summary

Honeywell

- APU TLS provides:
 - * Reduction in AVDLR charges to the Fleet
 - * Priced by the flight hour- no surprises in AVDLR expenditures
 - * Guaranteed Availability
 - * Guaranteed Reliability
 - * Honeywell Alliance Logistics Mgmt
 - * Depot Performance Guarantees
 - * Fleet Support Engineers
 - * Total Asset Visibility